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SUBJECT: DAILY SUMMARY OF JAPANESE PRESS 09/22/08

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(1) SGI Chairman Ikeda meets Ambassador to the U.S. Schieffer: Transmitting the spirit of a mother's love of humankind to the world

Ambassador: Japan and the U.S. share common values, such as democracy, freedom of religion, and freedom of expression; SGI Chairman: The friendship of the U.S., China, and Japan can form a foundation for peace; Winning in education opens the way to the future

Photograph shows SGI Chairman saying, "Sincere efforts have continued to be made to promote friendship between Japan and China and between the U.S. and China; Ambassador Schieffer responding, "I fully realize the strength that the SGI Chairman exerts to make a better world."

SEIKYO SHIMBUN (Top play, p. 2) (Full)  
September 20, 2008

SGI (Soka Gakkai International) Chairman Ikeda welcomed U.S. Ambassador to Japan Thomas Schieffer to the main office of the daily Seikyo Shimbun in Shinano-machi at 2:00 pm on Sept. 19. The two then exchanged views on various topics, starting with the lessons the Ambassador had learned from his mother, education, foreign relations, and friendship. In their amicable conversation, which continued for an hour and forty minutes, the two foresaw peace and prosperity in the Asia-Pacific region, with Japan, America and China at the core. Also attending the meeting were Soka Gakkai Chairman

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Harada and Deputy Chief of Mission from the Embassy James P. Zumwalt.

SGI Chairman Ikeda welcomed the Ambassador with the words: "I am honored to be able to meet the busiest American ambassador in the world. Thank you taking time out from your hard schedule to come over!"

Ambassador Schieffer said with a broad smile: "It is a great honor to be able to come here." Their first meeting began with an exchange of mutual pleasantries and a firm handshake.

Ambassador Schieffer has been praised for "always having a smile on his face," being a "gentleman who is intelligent and bright, earnest and good-natured"; and "as a modest person who always listens to the other person."

He was born on Oct. 4, 1947, and he will be 61 next month. Born in the State of Texas, he has a master's degree in international relations from the graduate school of the University of Texas.

In 1972, when he was 25, he was elected to the lower chamber of the Texas State Assembly. After that, he passed the bar exam to become a lawyer. He also was active as a businessman. In 2001, he was appointed ambassador to Australia, and since April 2005, he has served as the U.S. ambassador to Japan.

The SGI Chairman praised the Ambassador for having exerted himself in his career through education, saying, "Those with an education in your country America always win. Talented persons win." At this point, the SGI Chairman extended an invitation to the Ambassador: "You must give a speech at the Soka Gakkai in the future." To this, the Ambassador willingly consented.

Ambassador Schieffer then stated: I am very happy to be able to get to know everyone today at the Soka Gakkai. I have deep respect for the philosophy and principles of the SGI Chairman that spread peace and justice. The conversation then deepened, centered on the Ambassador's recollection of his mother. The Ambassador had lost his father when he was a child. His mother raised three children on her own until they all successfully graduated from college. The lessons he learned from his mother included the following: Rather than going to the airport late, always get there early; always sport a smile and shiny shoes, for that is the secret of success. His mother also

told him that it was no excuse to be beaten just because the other was bigger than you.

The Ambassador also spoke about his mother's faith. "My mother believed that there was humanness inherent in all people. Although there was racial discrimination in the south, where I grew up, my mother was strongly against it. She believed that there should be respect for all people and for the work that they do."

SGI Chairman Ikeda has written poems and the like about his respect for his own mother and her greatness. He stated that from the words of Ambassador Schieffer he felt the most noble, true heart of a mother. Mothers are most precious, and a mother's love of mankind can move one to want to spread that spirit across the world.

(2) Lower House election may delay; Aso eager to enact supplementary budget; New Komeito calls for election on Nov. 2

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YOMIURI (Page 4) (Abridged slightly)  
September 22, 2008

The ruling bloc has coordinated views for kicking off the official campaign on Oct. 14 for the next general election on Oct. 26. But chances have risen that such a timetable will be put off. The reason is that LDP Secretary General Taro Aso, who is certain to become the next prime minister, is eager to enact the fiscal 2008 supplementary budget. Another factor is that the New Komeito and its support base Soka Gakkai are still strongly calling for an election on November 12.

Gap in views between LDP and New Komeito

Appearing on a commercial television program yesterday, Aso said: "I think the supplementary budget, including a package of economic stimulus measures, should absolutely be enacted."

The ruling parties have coordinated views for dissolving the Lower House on Oct. 3 after the representative interpellations and before Diet deliberations on the FY2008 supplementary budget. But a gap has emerged in views between the LDP and New Komeito over the date of the election.

Initially there was a tacit understanding between the two parties' election strategy officers on Nov. 9. But the LDP explored ways to carry out the election on Oct. 26 based on its thinking that the next election should take place early while the LDP has momentum from its presidential election. The party began coordinating views with the New Komeito after receiving an informal notice from the Internal and Communications Ministry that an election on Oct. 26 was feasible.

The LDP's plan drew objections from the New Komeito and Soka Gakkai, with a Soka Gakkai-affiliated member complaining: "The preparatory period would be too short for an election on Oct. 26. We would lose three seats." Over the last several days, the New Komeito has proposed that if the election is to be moved up, it should be held on Nov. 2.

November 2 will be in the middle of a three-day weekend. As such, the LDP opposed the New Komeito's proposal, saying that the ruling coalition would be criticized as deliberately setting the date then in hope of low voter turnout.

A double-edged sword

Aso's enthusiasm to enact the supplementary budget is also closely associated with the election timetable. Aso and his aides want to use the supplementary budget to play up his eagerness to revitalize the economy.

When Democratic Party of Japan Diet Affairs Committee Chairman Kenji Yamaoka proposed a Lower House dissolution through talks, he presented the LDP with a plan to hold a Lower House Budget Committee session on Oct. 6-7 and an Upper House budget session on Oct. 8-9.

If the supplementary budget clears the Diet immediately after that, the official election campaign could start on Oct. 21 for an election on Nov. 2, at the earliest, in view of the time necessary before the official announcement. An idea is also circulating to carry out the election on Nov. 3, the last day of the three-day weekend.

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Aso is also reportedly dismissive of newspapers' reports on a possible election on Oct. 26.

Beginning deliberating on a supplementary budget could be a double-edged sword for the ruling coalition, however. That might end up giving the opposition bloc a golden opportunity to grill the government over the issue of tainted rice that has been used for human consumption and the issue of pension records that have been altered by Social Insurance Agency workers.

As if to lure the LDP into Diet deliberations, DPJ Deputy President Naoto Kan expressed on an NHK program yesterday a willingness to dissolve the Lower House through talks, saying, "We can promise to reach a settlement line at a certain point without protracting budget deliberations."

If the DPJ tries to prolong the deliberations, Aso intends to attack the DPJ as a party putting its own interests ahead of the national livelihood. But a Tsushima faction member warned: "Once budget deliberations begin, stormy developments will unfold, putting the DPJ at an advantage. The Lower House should be dissolved at the earliest possible time."

#### Future political events

September 22 (Mon) LDP presidential election  
September 24 (Wed) Extraordinary Diet session opens  
Prime ministerial election, formation of a new cabinet  
September 29 (Mon)  
The prime minister's policy speeches  
October 1 (Wed)  
Interpellations by party representatives (through Oct. 3)  
October 3 (Fri)  
Lower House dissolved (or October 9)  
October 6 (Mon)  
Lower House Budget Committee session (through Oct. 7?)  
October 7 (Tue)  
FY2008 supplementary budget clears the Lower House?  
October 8 (Wed)  
Upper House Budget Committee session begins?  
October 9 (Thur)  
Lower House dissolved?

October 14 (Tue)  
Official election campaign begins (or October 21)  
October 21 (Tue)  
Official election campaign begins?  
October 26 (Sun)  
Lower House election (or November 2)  
November 1 (Sat)

November 2 (Sun)  
Lower House election?  
November 3 (Mon)

(3) Poll: DPJ tops in voter preference for proportional representation

TOKYO SHIMBUN (Page 2) (Full)  
September 21, 2008

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The public approval rating for Prime Minister Yasuo Fukuda's cabinet was 15.6 PERCENT , the lowest since it came into office in September

last year, according to an opinion poll conducted by Jiji Press on Sept. 12-15. The figure is down 8.0 percentage points from last month's poll taken after his cabinet shuffle. The disapproval rating was 65.3 PERCENT , up 10.7 points from last month. The Fukuda cabinet's average support rate is 29.9 PERCENT , which is in 16th place among the 21 cabinets from the Ikeda cabinet.

The average support rate fell below 30 PERCENT for Fukuda's father, Takeo Fukuda, and for Yoshiro Mori. Fukuda is the seventh.

In the breakdown of public support for political parties, the ruling Liberal Democratic Party stood at 20.9 PERCENT , up 0.2 points from the preceding month. The leading opposition Democratic Party of Japan (Minshuto) was at 12.8 PERCENT , down 2.2 points from the preceding month. Among other political parties, the New Komeito, the LDP's coalition partner, was at 3.2 PERCENT , with the Japanese Communist Party at 2.2 PERCENT and the Social Democratic Party at 0.5 PERCENT . The People's New Party and the New Party Nippon were respectively at 0.1 PERCENT . "None" accounted for 56.9 PERCENT .

In the survey, respondents were also asked to pick a political party they would like to vote for under the proportional representation system in the next election for the House of Representatives. In this voter preference, the DPJ marked 31.3 PERCENT , 2.5 points higher than the 28.8 PERCENT for the LDP. The New Komeito was at 3.7 PERCENT , the JCP at 2.5 PERCENT , and the SDP at 1.6 PERCENT .

The survey was conducted across the nation on a face-to-face basis with a total of 2,000 persons chosen from among men and women aged 20 and over. The response rate was 66.7 PERCENT .

(4) Interview with former DPJ President Seiji Maehara on LDP presidential race: New LDP president should verify Koizumi-Takenaka policy line

ASAHI (Page 4) (Full)  
September 22, 2008

Question: Whether the Koizumi structural reform initiative should be continued or not is being debated during the campaigning for the ruling Liberal Democratic Party (LDP) presidential election.

Maehara: Japan definitely needs "real" structural reforms, but it is meaningless that debate is being without reference to the Koizumi-Takenaka policy line. I am talking about moving from centralization of power to decentralization, and how to destroy the paradise that bureaucrats enjoy as handlers of special account budgets and beneficiaries of the practice of amakudari (placing retired bureaucrats into high paying posts at private firms). Excessive public works projects should be discontinued. Drastic tax system reform and growth strategies in Japan's strongest areas are necessary. With the looming Lower House election in mind, however, the five LDP presidential candidates are mostly talking about things that please the public.

Question: It is said that Taro Aso is popular in the country.

Maehara: In consideration of the present situation of Japan, debates on how Japan would change if the DPJ took over political helm and on how the LDP would change under the leadership of Mr. Aso, are more

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important than the popularity of individuals such as Mr. Ozawa and Mr. Aso.

Question: Advocating the continuation of the structural reform initiative, former LDP Secretary General Hidenao Nakagawa is supporting Ms. Yuriko Koike. Do you think from the standpoint of promoting reforms can you cooperate with Nakagawa and Koike in the future?

Maehara: The question is the contents of their reforms. The Koizumi reform initiative failed to live up to expectations in implementing the trinity reform and reform of the Japan Highway Public Corporation. If the LDP calls such reforms, I would say "no."

Question: Do you think there is a possibility of political realignment after the general election?

Maehara: The major premise is that the DPJ can take over the reins of government and a government led by the DPJ can implement "real structural reforms," which it will pledge in the Lower House election.

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(5) Fear of PNP losing political identity explains cancellation of merger with DPJ

ASAHI (Page 4) (Full)  
September 22, 2008

Negotiations broke down yesterday between the main opposition Democratic Party of Japan (DPJ) and People's New Party (PNP) over the idea of a merger, since the PNP had set a high hurdle. If things stand as they are, it will be nearly impossible for the PNP to expand its strength in the next House of Representatives election.

PNP leader Tamisuke Watanuki insisted at a press conference on Sept. 19 that Upper House member Norimasa Hasegawa would not be able to join the DPJ from a legal standpoint. He stated:

"There are as many as 200,000 special postmasters backing Mr. Hasegawa, who is a key advocate for maintaining the postal services. We have learned that Mr. Hasegawa, who won his Diet seat by criticizing the Liberal Democratic Party (LDP), will lose his seat if the two parties are merged."

Watanuki continued: "I wonder whether we can incorporate this issue into a set of conditions for a possible merger, after careful examination."

Small parties have been dumped into the dustbin whenever a general election has taken place, due to the trend toward a two-party system. The now defunct Conservative New Party (Hoshu-Shinto) was dissolved immediately after the 2003 Lower House election. The PNP was able to keep its seats in the 2005 general election, which was conducted soon after the party was founded. However, the party may find itself with less seats after the next Lower House race.

According to a senior member of the largest opposition party, the DPJ had sent out "love calls" to the PNP with the idea of merging the two parties. The DPJ argued that the biggest advantage for the

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two parties would be that they would be able to find the middle ground on such issues as coordination of candidates in electoral districts. With the general election drawing closer, the DPJ expected that a merger of the two opposition parties would be more effective than simply adding up numbers.

The relations between the DPJ and PNP will return to a framework of a conventional coalition of opposition parties. A senior PNP lawmaker, who was reluctant to accept a merger, told reporters yesterday: "There was no fault on the DPJ's part. It would be the worst thing if our relationship of trust is damaged." The PNP intends to make efforts to eliminate the bad blood between the two parties.

(6) Special contribution by Yukio Okamoto (Part A): Japan must not flee from Afghanistan

SANKEI (Pp. 1-3) (Abridged)  
September 19, 2008

? Something is wrong

Around midnight April 24, 2004, three suicide boats crashed into an oil terminal off Basra, Iraq. The 280,000-ton Takasuzu loaded with crude oil was one of the tankers docked at Basra when the explosives-laden boats blew up nearby. Two boats were blown up by

the U.S.-led coalition forces in the nick of time, causing minor damage to the Takasuzu.

The attempt to block another boat claimed the lives of three U.S. service members: Navy Petty Officer 1st Class Michael J. Pernaselli, 24; Navy Petty Officer 2nd Class Christopher E. Watts, 28; and Coast Guard Petty Officer 3rd Class Nathan B. Bruckenthal, 24. The three had small children back in the United States. An Al-Qaeda-affiliated group claimed the responsibility two days later.

On August 27, 2008, the body of Kazuya Ito, an aid worker of the nongovernmental organization Peshawar-kai, was found in Afghanistan. Ito had taught many farmers agricultural methods in the vicinity of Jalalabad. He was loved by local residents. The incident was reported on a nightly TV program in which the popular newscaster said: "The horror of the war on terror ... This might make one wonder what this is all about." He did not say the terrorist attack that killed Ito was horrible. He said the war on terror was terrible because Ito had been killed due to accidental bombings by the U.S. military and other matters.

Will this newscaster tell the children who lost their fathers in the line of duty in Basra that their fathers did a dreadful thing? Which side -- the side that maintains order and the side that destroys order -- do some news companies regard as the victim and as the perpetrator? Something is wrong.

The New Antiterrorism Special Measures Law authorizing to send the Maritime Self-Defense Force's refueler to the Indian Ocean is about to expire. There are no prospects for the enactment of a bill amending the law.

? Attackers

The MSDF refueler is tasked with providing fuel to coalition force vessels deployed off Somalia in the Indian Ocean. Vessels owned or

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managed by Japanese shipping firms have frequently been attacked in waters off Somalia. The large tanker Takayama was attacked on April 21, 2008.

Shortly after 4 o'clock that afternoon, a suspicious boat appeared 4 kilometers ahead of the Takayama, which was cruising toward the west coast of Saudi Arabia. The suspicious boat then persistently attempted to align itself with the Takayama while firing rocket bombs and machineguns at it. Catching radio distress signals from the Takayama, the Emden, a German frigate deployed nearby waters, immediately headed for the Japanese tanker to rescue it while exchanging signals with it.

The attackers, who were constantly monitoring the signals of the coalition forces, fled the scene an hour later.

On Aug. 23, a suspicious vessel approached the cargo ship Aizu and unloaded two high-speed crafts 6 kilometers ahead of it and began attacking it. The Aizu continued to send emergency signals to the U.S.-led coalition fleet while being attacked and the mother ship of the attack boats kept jamming the Aizu's signals. The suspicious boats left the scene in about one hour. It took an average one hour for coalition vessels, including helicopters, to come to the Aizu's rescue.

In addition, such chemical tankers and cargo vessels as the Golden Nori, Stella Maris, and Irene have been attacked since last October, though no details on them have been made public. Some are still under siege.

The vessels mentioned above are all connected with Japan. As a whole, a large number of ships have been attacked. This year alone, a total of 18 vessels have been seized by attackers, though they have not been reported. Over 130 seamen are still in captivity.

(7) Sub intrusion: Spotting, tracking ability must be improved

YOMIURI (Page 13) (Full)

September 18, 2008

Hidemichi Katsumata, senior writer

On Sept. 16, the Maritime Self-Defense Force discontinued its search for a submarine of unknown nationality that violated Japan's territorial waters off the island of Shikoku. The MSDF should be specialized in antisubmarine operations from detecting to tracking and attacking.

"Isn't that a periscope?" At 6:56 p.m., on Sept. 14, the captain of the MSDF Aegis-equipped destroyer Atago, who was on the port-side deck, pointed his forefinger right at what he was seeing. The captain and his colleagues on the deck fixed their eyes on it. Indeed, they could see something that appeared to be a periscope on the waves about one kilometer away. The captain confirmed that the Atago was within the bounds of Japan's territorial waters about 20 kilometers southwest of Kochi Prefecture. He then ran up to the bridge and steered his ship in a direction where the periscope was in sight. He activated active sonar, which emits sound waves to pick up the target.

The sonar's waves hit the target and bounced back with pinging sounds. The underwater target was moving southward. After 7 a.m.,

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the Atago contacted the headquarters of Escort Flotilla 3 in Maizuru, Kyoto Prefecture, where she is based. The Atago reported that the target was highly likely a submarine. However, the sonar reverberations gradually went down. At 8:39 a.m., about 1 hour and 30 minutes after spotting the submarine, the Atago lost the target. After that, P-3C patrol aircraft continued the search for over 50 hours but failed to pick up the target again.

Unfortunately, the Atago was an Aegis vessel without a helicopter. Her own engine sounds offset the target's propeller cavitations, so active sonar was the only means available to track the target. A helicopter destroyer will have its helicopter take off right away and drop sonobuoys. If the target was a submarine, that destroyer could have monitored its inherent propeller cavitations and identified its type.

With that alone, off course, it is difficult to keep tracking. In the sea, sounds go quite differently depending on the salt level, ocean floor configuration, and water temperature. In its antisubmarine warfare operations, the MSDF has a fleet of eight helicopters and eight destroyers and flies P-3C patrol planes to carry out a multilayered search. There was something unfortunate, but there is also no denying that the MSDF failed to take action at once.

The Atago failed to track the submarine and could not even collect its propeller cavitations. "Was it really a submarine?" Such a question came from within the Defense Ministry. At 10 a.m., right after the Atago lost the submarine, P-3C patrol aircraft began searching the area. Judging from the submarine's speed, its underwater area of operation is not so large. Nevertheless, the Atago was unable to detect the submarine. In addition to the MSDF, the U.S. Navy is also watching out for the movements of submarines from neighboring countries in various ways. This time, however, there were no signs. This was also one of the reasons for that question.

However, it is especially vital for Japan to heighten its ability to spot and track submarines since Japan is surrounded by the seas. "Many submarines have been spotted in waters around Japan, whether they are identified or not," said MSDF Chief of Staff Keiji Akahoshi. "Submarines-if they're capable-can be anywhere," he added.

The MSDF is now testing the P-1, which is a faster jet patrol aircraft and a follow-on model to replace the P-3C. Submarines are also quieter than ever so that they will not be detected. The MSDF must train its personnel and introduce new equipment that is even more capable of detecting and identifying submarines.

Furthermore, the MSDF has to prepare for such eventualities as sub intrusions into Japanese waters and terrorist attacks in an attempt to destroy vital facilities. The current law should be rectified, as it only allows the MSDF to order an unidentified submarine to surface even after maritime security action is invoked.

The MSDF will be able to take uncompromising counteractions in dealing with submarines violating Japan's territorial waters only when the MSDF improves its antisubmarine capabilities and the law is amended.

(8) U.S. financial system on verge of collapse - part 1: U.S. makes

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miscalculation, underestimating market

TOKYO SHIMBUN (Page 9) (Full)  
September 20, 2008

The global economy is being buffeted by the financial crisis caused by the United States. Financial instability has occurred against the backdrop of the economies of various countries being closely linked together to an unprecedented degree. What impact will the crisis have on the global economy? What should be done in order to prevent it from spreading? The Mainichi Shimbun has interviewed experts on the international economy and the financial situation.

Interview with Takahiro Mitani, former Bank of Japan director

-- The central banks of Japan, the U.S. and European countries on September 18 announced their decision to provide up to 180 billion dollars or approximately 19 trillion yen to help the management of funds by U.S. financial institutions. What is the background of their decision?

"Banks became beset with doubts and fears regarding transactions on the call market, a venue for them to mutually accommodate with loans. As a result, the market has become paralyzed. What is happening now reminds me of the 1990s in Japan. At that time, high premiums were imposed on Japanese banks when they procured funds on the global market.

"In Japan, Sanyo Securities failed in November 1997. Banks fell into a state of mutual distrust, triggered by loans worth hundreds of millions of yen turning sour on the short-term market. As a result, Hokkaido Takushoku Bank and Yamaichi Securities successively went down. The U.S. government bailed out Bear Stearns this March. It had been thought that it would also bail out Lehman Brothers, a leading securities firm. However, it did not, which fueled anxieties immediately. The U.S. government then hastily bailed out AIG, a leading insurance company. However, the action came too late. Since any financial bank could collapse at any time, money is now fleeing the call market. This is the result of the mistake the U.S. government has made, by underestimating the market. It must be feel regret now."

-- Stock prices are rising due to the dollar-supplying measure. Do you think that the market will settle down?

"The fund-supplying measure is only a stopgap measure for banks. It is essential for the government to introduce a system of dealing with debt-ridden banks, while bailing out creditors with public money. Making such a political decision may be difficult with the presidential election just at hand in November. However, the market moves fast. It will not wait until November. It took many years for Japan to fully inject public money. Consequently, the chaotic financial situation and the credit crunch of banks became serious. Since U.S. financial institutions have many operating bases throughout the world, including Japan, if the U.S. government stumbles over this issue, the result would be enormous. Since the effect of the income tax cut implemented in the first half of this year is wearing off, it is necessary to take economic pump-priming measures."

-- What impact will the U.S. financial crisis have on Japan?

"Many took the view that the U.S. housing market would recover in the latter half of next year. However, the slump has become drawn out. The situation in Japan will continue to be harsh. Exports are expected to drop. However, unlike the Great Depression in 1929, when the plummeting U.S. stock market spilled over to affect the whole world, there is a mechanism for international cooperation. The worst situation could be avoided."

-- What has made the situation worsen to this extent?

"All involved sources succumbed to moral hazard. The business of securitizing loan claims has amplified the irresponsibility of money lenders, spreading losses throughout the world. When the economy was booming, all made profits. But once the market begins reversing itself, it becomes scary."

(9) TOP HEADLINES

Asahi:

DPJ President Ozawa says he will implement pledged policies in 3 stages

Mainichi:

Ozawa to place priority on policies related to agriculture, child-rearing

Yomiuri:

Aso to be elected LDP president; Yosano, Ishiba to enter new cabinet

Nikkei:

Major construction firms passing higher steel prices on through construction fees

Sankei, Tokyo Shimbun:

Five-year-old girl found dead on street in Chiba

Akahata:

JCP chairman: Two political evils -- bureaucracy-centered administration and America-following -- should be corrected

(10) EDITORIALS

Asahi:

- (1) Ozawa's DPJ must show persuasive administrative roadmap
- (2) Drop in land prices: Policies that would raise utility value necessary

Mainichi:

- (1) DPJ must show determination through policies
- (2) Reconsideration of war on terror urged

Yomiuri:

- (1) Ozawa should speak up on funding for implementing pledges
- (2) Missile defense: ASDF succeeds in intercepting missiles

Nikkei:

- (1) DPJ President Ozawa should show persuasive policy platform
- (2) Can financial crisis change Russia?

Sankei:

- (1) Need to closely examine whether DPJ can take the reins of

government

- (2) Japan must take firm attitude against China regarding melamine-tainted milk

Tokyo Shimbun:

- (1) Ozawa needs to turn platform into concrete arrangements
- (2) High school boy struck by lightning: When you hear thunder, seek shelter

Akahata:

(1) Oct. 5 youth convention: Politics should stop disposing of young workers

SCHIEFFER